



Final Cost-Benefit Analysis

Benefit Charging for Employer Providing Part-Time Work and Voluntarily Quitting Due to a Reduction in Hours or Compensation of 25 Percent or More

Introduction

Pursuant to RCW 34.05.328, the Employment Security Department (Department) hereby analyzes the costs and benefits of amending rules regarding relief of benefit charges for employers offering part-time work and voluntarily quitting for reduction of wages or hours of 25% or more.

Costs

Only minimal costs are anticipated. The rulemaking adds a new rule on availability of relief of benefit charges to employers offering part-time work to its employees to reflect the statutory change in Substitute House Bill 1570 (2023). This new rule should impose minimal or no costs.

The rulemaking also addresses good cause for drivers to quit work for transportation network companies for reduction in wages or hours of 25% or more. The rule requires transportation network companies to report aggregate data on driver hours and compensation. This reporting is expected to impose only a de minimus cost on the companies. The cost of collecting and making required calculations on the reported data will also be only de minimus for the Department.

Benefits

The proposed rulemaking will provide clarity on how the Department determines whether a claimant who left work as a driver for a transportation network company due to a reduction in hours or compensation qualifies for unemployment benefits. The rulemaking will also incorporate statutory changes in relief of benefit charges for employers offering part-time work into the Department's rules.

Conclusion

The proposed rulemaking will impose only de minimus costs. The benefits of the rulemaking outweigh the estimated costs.